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671 are subject to immediate arrest. It is true
694 that certain provisions in the decree guarantee each individual the right to demand a warrant, a minimum period of detention, and an early and rapid trial; nevertheless, at least two factors minimize the value to the individual of these provisions -- warrants for arrests are not always obtained by security agencies, and exceptions to these provisions are allowed to facilitate the arrest of counterrevolutionaries.

687 Apart from those decrees relating to the punishment of counterrevolutionaries, discussed below, other orders that may be singled out for discussion include the decree on the safekeeping of confidential information[30] and that implemented in cases involving the violation of laws concerning national currency.[31] Since "confidential material" is loosely defined by the Communists, the "unlawful disclosure" of any information whatsoever can be regarded as a crime. "Confidential information" includes not only national security and military matters in the usual sense, but also any data relating to economic and financial affairs, transportation conditions, and matters of a

30. Yangtze Daily, June 11, 1951, p. 1.
31. Ibid., April 28, 1951, p. 4.

687 judicial and legislative nature. In the same fashion, any violation of the laws governing national currency committed with the intention of aiding counterrevolutionary activities is regarded as an act of counterrevolution and carries a severe penalty.

B. Counterrevolutionary Decrees

According to the Communists, "counterrevolutionaries" are persons who engage in activities contrary to the interest of the state. This term specifically includes bandits of all kinds, landlords, "despots," spies, Kuomintang intelligence agents, former high-ranking Nationalist officers continuing to engage in counterrevolutionary activities, and members of secret societies.

Regulations on the suppression of counterrevolutionaries[32] were first issued by the Government Administration Council in February 1951. These regulations are reportedly based on the "spirit" of Article 7 of the Common Program, which registered

32. Yangtze Daily, Feb. 23, 1951, p. 1.

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687 the determination of the Communist regime to punish all counterrevolutionaries and "other criminals" and to impose upon them the punishment of "Reform-through-labor." Counterrevolutionaries are those who collaborate with foreign imperialist powers, instigate mutiny in the militia and armed forces, or organize secret societies. Counterrevolutionaries are subject to trial both by the People's courts and by the military tribunals. Former members of political parties, including the Kuomintang, the Chinese Youth Party, and the Democratic Socialist Party, former intelligence personnel under the Nationalist regime, and former Nationalist officers above the rank of captain are required to register with public security agencies.[33] Their political rights may be witheld for a period of time, their property may be confiscated, and they are subject to political surveillance.

The control of counterrevolutionaries is made possible by two laws promulgated by the regime -- the law of control of counter-revolutionaries and regulations governing "Reform-through-labor." The law concerning counterrevolutionaries was issued in July

33. Ibid. Aug. 13, 1951, p. 1.

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687 1952 by the Ministry of Public Security of the Government Administration Council.[34] Decisions on the means of suppression of counterrevolutionaries can be made either by the People's court or by the public security agencies at county and municipal levels. In the villages, hsiang and ch'ü governments may initiate this control, subject to the approval of the public security agencies at the county level. Sub-stations in the city may also initiate control, subject to the approval of public security sub-bureaus. Persons under surveillance are deprived of their political rights, including the right to vote. The period of surveillance may be three years or less. During the period, the individual is sent to a forced-labor camp.

The regulations governing "Reform-through-labor," issued by the Government Administration Council in August 1954, provided a detailed scheme for the establishment of forced labor throughout China.[35] Centralized authority no doubt facilitates control of counterrevolutionaries.

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34. People's Daily, July 16, 1952, p. 1.

35. Ibid., Sept. 7, 1954, p. 2; English text in Current Background, No. 293, Sept. 15, 1954.

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565 to infilitrate and capture key positions. Through
568 these agents, the "potential landlords" spread rumors among the peasants, falsified co-operative accounts, and engaged in other disruptive maneuvers to disorganize the co-operatives' work and membership.

C. Suppression-of-Counterrevolutionaries and Espionage Agents

668 As early as July 1950, the Government
687 Administration Council of the Central Government and the People's Supreme Court issued a joint directive calling for the suppression of all counterrevolutionaries throughout China. The directive demanded the apprehension and severe punishment of organizers of open resistance, saboteurs in factories and warehouses, and murders of government officials. Nationalist intelligence agents and "bandit leaders" were particularly singled out for elimination. However, not until the nationwide Suppression-of-Counterrevolutionaries Movement in 1951 did the campaign against subversives reach major proportions and involve mass participation. At the conclusion of the movement, the foundation had been laid for the construction of a network of mass security organizations.

668 1. Suppression-of-Counterrevolutionaries Movement of 1951. Like other mass movements

726 669 apparently were intended to convince the people that spying by Nationalist agents still constituted an actual threat to the Communist regime. Indeed, it may be that espionage organizations had been revitalized by internal or external forces.

726 668 798 3. Foreign "Intelligence Agents." Closely connected with the suppression of Kuomintang intelligence personnel on the Mainland was the apprehension of "foreign intelligence agents." During the 1951 suppression movement, church groups and foreign missionaries were accused of engaging in espionage against the regime. Arrests of missionaries and foreign residents were frequently reported throughout the Southwest Region. A Catholic organization, Sheng-mu Chün (Legion of Mary), was made a particular object of attack. Members of the organization were required to register with the authorities and were subject to investigation by public security agencies. Persons who failed to comply were arrested and charged with counterrevolutionary activity.

• 687 4. Sabotage. Acts of sabotage reported in the Communist press included the destruction of factory property, the theft of economic information, the spreading of rumors among workers, and the organization of strikes.

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687 During 1950-52, sabotage was combatted by the reinforcement of union control and the organization of security committees and safety teams in factories and industrial organizations. Nevertheless, 146 sabotage cases were reported in the Southwest China region[15] during 1950 and the first half of 1951. One case cited involved the open assault on a mining installation by 1,000 persons.

With the inauguaration of the first Five-Year Plan in 1953, regulations on safety and labor discipline were strengthened.[16] "To observe labor regulations, to guard state property, to safeguard economic information, and to observe all safety and security regulations" became the duties of every worker. However, increasing the responsibility of the workers did not eliminate industrial sabotage. The woman minister of justice Shih Liang told the Second Session of the First National People's Congress in July 1955 that 364,604 cases of sabotage[17] had occurred throughout China between January 1954 and May 1955.

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15. Ibid., Dec. 11, 1951, p. 2.
16. Text of the regulation in ibid., July 14, 1954, p. 2.
17. Text of the speech in ibid., July 30, 1955, p. 6.

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687 The revival of Communist concern with counterrevolutionary activities since 1954 after a lapse of only two years, could indicate an upsurge of resistance against the regime. Nearly all the reports made by the various ministers and deputies from all over China at the Second Session of the National People's Congress in July-August 1955 contained references to serious instances of subversive activity. In Kweichow in 1955, counter-revolutionary crimes of all types were reported to be 13 per cent higher than in the previous year; subversive acts involving murder had risen 27.4 per cent, those involving arson, 90 per cent.

D. Secret Societies

575 687 Secret societies have been a source of irritation, if not subversion, for every regime in China, including the Communist. The latter, on attaining power, took immediate steps to wipe out these clandestine organizations. In the Southwest Region, the Ko-lao-hui sect had been for centuries the most influential of the secret societies.[18]

18. See Wei Ta Fa-shih, Chung-kuo Pang Hui [Chinese Secret Societies], Chungking, Shuo-wen-she, 1949; and Ko-lao-hui Yü Ch'ing pang Kai-k'uang [General Survey of Ko-lao-hui and Ch'ing-pang], Hsi-pei Yen-chiu-she, 1940.

575 Formed at the end of the Ming Dynasty in
687 the seventeenth century, the Ko-lao-hui served as center of resistance against the succeeding, alien dynasty. The sect initiated several organized uprisings against the Manchu (Ch'ing) rulers, and its influence gradually extended to all sections of society. In the last days of the Ch'ing Dynasty, the Ko-lao-hui was one of the secret socities which supported the revolutionary movement of Sun Yat-sen, the leading figure in the founding of the Republic of China. After 1911, the society was an open organization participating in politics. Particularly in Southwest China, warlords relied considerably on this sect for support, and many of the local military leaders were heads of the organization. These militarists either were eliminated by the Communists or absorbed into their ranks when the Red Army overran the Southwest Region. As a result, the Ko-lao-hui has not been active under the Communist regime.

Another major secret society, I-kuan Tao, was practically unknown in the Southwest Region before the advent of the Communists but is now the most active sect opposing the Communist

661 placed on trial in the People's courts. Among
685 the Southwest China officials punished for bureaucratic abuses were Tu Hung, chief of the secretariat of the Chungking Municipal Government and concurrently secretary of the Party branch of the municipal government. He and his deputy chief were accused of dictatorial acts.[32] Similar charges were lodged against T'u Kuo-lin, deputy of the Southwest China broadcasting station;[33] T'ang P'eng, deputy of the New Democratic Youth Corps school; and Mei Wen-hua, an official of the Chungking Federation of Democratic Women.[34] Kou Hsing-ts'ai and his deputy, Chang Tse-min, officials in the public security department of the eastern Szechwan special district, were accused of disobedience.[35]

C. Theft and Waste

687 The Communist definition of theft extends beyond the usual meaning of the word. Tax evasion and the falsification or default of government contracts are considered theft

32. Ibid., Jan. 13, 1952, p. 1.
33. Ibid., Jan. 16, 1952, p. 2.
34. Ibid., Jan. 7, 1952, p. 1.
35. Ibid., Jan. 17, 1952, p. 1.

687 from the government. Contracting firms experienced a particularly bad time during the Five-Anti Campaign. The Chien Yuan Contracting Company, for example, was accused of cheating on its government contracts to the amount of 10,000,000,000 yuan.[36] The Ta Hua Pharamacy was charged with theft from the government for supplying substandard first-aid kits to the People's Liberation Army in Tibet. Theft of other kinds was involved in the cases of Wang Jo-hsi, a merchant who was accused of stealing economic information for profit; and Fan Wei-ch'ao, another merchant who was reported to have collaborated with a government employee in the sale of food stolen from a state-owned food trading company.

One of the most publicized examples of large-scale, organized theft to be disclosed during the Five-Anti Campaign involved a business organization known as the "Thursday Club."[37] According to the Communist account, the club was organized by the owners of

36. Ibid., Jan. 22, 1952, For examples of other cases see ibid., Jan. 18, 1952, p. 1; March 14, 1952, p. 1; and Jan. 21, 1952, p. 1.

37. Ibid., Jan. 24, 1952, p. 1; Feb. 29, 1952, p. 1; and March 16, 1952, p. 6.

687 several privately operated iron and steel companies to exchange information on government contracts with the intent of monopolizing government contracts and, thereby, increasing profits. Originally, the group was said to have concentrated its efforts on the factories managed by the Ministry of Heavy Industry. When the club later extended its manipulations to shipbuilding and accounting contracts, according to the Communist account, the members organized a "Friday Club" and a "Saturday Club" to handle the new interests. The businesses operated by the group were substantial and, following the prosecution of their owners, were taken over by the Communists and transformed into state-owned enterprises. Similar cases of large-scale theft became more numerous as the regime expanded its industrialization program and the accompanying conversion of private enterprises into elements of state-owned industry.

Waste was another "poison" singled out for detection and elimination during the Three-Anti and Five-Anti campaigns. Industrial and trading organizations bore the brunt of the drive against waste, which seems to have resulted in large part from the inefficiency of Communist manufacturing, transportation, and

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storage methods. For example, during one four-month period of 1951, 317,000,000 pounds of crops worth 28 billion yuan were reported to have spoiled due to improper warehousing.[38] Instances of waste increased as industrialization was accelerated. An inspection during the end of 1954 and the beginning of 1955 of a major industrial organization with a factory in Chungking revealed an accumulation of excess materials valued at 350 million yuan (new currency). One of the construction jobs in which the Communists originally took great pride was the four-year task of building an auditorium in Chungking patterned on the "Temple of Heaven." In 1955, the Communist press reported that the structure required the annual expenditure of 100,000 yuan (new currency) and the services of 50 men for maintenance.[39]

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687 The cases cited above are only examples of the charges and prosecutions brought against thousands of firms, private individuals, government officials, and Party members in the Southwest Region during the Three-Anti

38. Ibid., Nov. 11, 1951, p. 1.
39. Ibid., April 9, 1955, p. 2.

661 and Five-Anti campaigns. Some of the cases
687 undoubtedly involved conscious attempts to defraud the government or misuse public office, but others probably arose out of unintentional errors and mistakes. It seems apparent also, that many firms and individuals were innocent victims of the Communist regime's attempt to take over private industry, tighten discipline within Party ranks, find scapegoats for the Party's errors, and establish firmer control over the people generally.

III. TENSION AND PUBLIC DISCONTENT

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668 Public discontent and tension are invariably the result of excessive centralization of government and strict regimentation of the populace in any state. The Communist regime in China has not only regulated and restricted the people through Party, state, and mass organizations, but also has imposed on the population terror, high taxation, and extensive public obligations. Despite the attempts of the Communists to seek popular support and persuade the people to believe in a brighter future, both discontent and tension in China today cannot be overlooked or minimized.

Popular unrest is inferred in the frequency, intensity, and nature of such programs as the Suppression-of-Counter-revolutionaries Movement and the Three-Anti

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Annex "A," Subparagraph 3h,
Economic Background

FORCED LABOR IN SOUTHWEST CHINA

I. INTRODUCTION

697 When the Chinese Communists seized control of Mainland China, they declared that they were going to use forced labor as a means of punishment for political offenders. The "landlord class, bureaucratic capitalists, and the reactionary clique of the Kuomintang" would be compelled to "Reform through labor" in order to qualify as "new men under the new regime."

687 In Southwest China the Communists instituted the Land Reform Movement and the suppression of counterrevolutionaries as they had done in other regions of the country. Chou Hsing, Chief of the Public Security Bureau of the Military and Political Committee in Southwest China, reported on November 17, 1951, that, according to incomplete statistics, there had been 5,181 cases in 1950 involving spies, bandits, "local despots," and other types of counterrevolutionaries in the Southwest Region. 697 Up to June 1950, of the population of that region, 80 per cent were said to have joined with local governments in suppressing counterrevolutionary elements, and thousands of arrests had been made. Beginning in May 1951 public security

5: Davies G-5 (1894-1900) 1909 AF16 Southwest China AF16

000 battalion at Myitkyina, and very useful indeed they proved, especially in the Tibetan part of our journey.

Two of these, Naik Seowlal Thapa and Doba Ram, accompanied me, and our party was completed by my Madrassi cook, a Chinese mule man promoted to be servant, and the surveyor's Khalassi cook. For our baggage we had 16 mules with Chinese drivers.

On the 20th November, we reached Mêng-lung, a village of hill Chinamen, the first Chinese we had come across, the inhabitants so far being all Kachins. As usual on this frontier range the night was a cold one, the thermometer falling to 21°. The next day we crossed the Irrawaddy-Taping watershed at a low place at 6,500 feet, and descended gradually to the Chan-ta plain. We slept at the village of Ho-pyek, as the road does not pass through the capital of the state.

687 Moreover a visit at this moment to the town of Chan-ta would not have been very opportune, as the sawbwa, my host of last year, had lately had his head cut off by the Chinese authorities.

The story as told me at Ho-pyek is as follows:—In the summer of 1899 a person appeared pretending to be the nephew of the sawbwa and the rightful heir to the throne. Possibly because they wished to get rid of the sawbwa, who had not a very good reputation, the Chinese officials at T'êng-yüeh took the part of the pretender. They marched some Chinese soldiers down to Chan-ta, and the sawbwa fled to the hills, where the Kachins received him and prepared to resist the Chinese. The officer in command, being apparently more of a diplomat than a warrior, did not like the idea of attacking Kachin stockades. He invited the sawbwa to come back to his capital, and said that in order to settle things in a friendly way they would lay the matter before a meeting of Shan sawbwas. The sawbwa was foolish enough to come in, and of course had his head cut off. The supposed nephew then reigned in his stead. but the Chinese soon afterwards found out that he was an impostor, and decapitated him too.

Now this sounded quite a circumstantial and probable story, but the next day, only a few miles off, I was to hear an equally circumstantial but absolutely different version of

5: Davies G-5 (1894-1900) 1909 AF16 Southwest China AF16

687 the affair. Here they told me that a relation of the Chinese general at T'êng-yüeh asked the sawbwa to lend him some money, the loan being no doubt intended for the general himself. The sawbwa said he had no money to spare, and refused. A little while afterwards the general's relative or someone sent by him tried to break into the sawbwa's house and steal the money he wanted, but the thief was caught in the act and shot. Soon afterwards the general invited the sawbwa to go up to T'êng-yüeh, and asked him to dine with him. After dinner he had his head cut off.

A few days afterwards we heard from Mr Jamieson, the Consul at T'êng-yüeh, the Chinese official version of the case. This was that the sawbwa had been guilty of a series of crimes culminating with the murder of his old Chinese clerk. The T'êng-yüeh authorities therefore tried him, condemned him to death, and executed him.

Which of these three stories is the true one I will not venture to guess—probably none of them. The sawbwa had not a good reputation and possibly deserved his fate. But among the Shans whom I spoke to there was evidently a feeling that an injustice had been done, and the sawbwa's wife had gone down to Rangoon en route for Peking to complain to the emperor.

000 On the 22nd I meant to get to the new town of Kan-ai (Möng Na), where I was to meet Ryder, but being much delayed by taking a short cut which turned out a very bad road, and by crossing the Taping by ferry, we did not reach the Nam Ti till nightfall and then found this river unfordable. It was too dark and too late to look for a boat, so I had to return a mile or two and sleep in a Shan monastery, where the worthy monks were all hard at work smoking opium! Strict Buddhism does certainly not thrive in places which have come at all under Chinese influence.

The next morning I found Ryder in Chiu-ch'êng, the old town of Kan-ai. He had also been delayed by bad roads and had been able to get no further than this. So, as we heard that the road from the new town up the right bank of the Nam Ti was very bad for mules, we decided to stick to our last year's route. Three marches brought us to T'êng-yüeh on the 25th November.

Here we found Mr Jamieson, who had been appointed